

SENATE BILL REPORT

ESB 6158

As Passed Senate, April 26, 2009

Title: An act relating to delaying the implementation of the family leave insurance program.

Brief Description: Delaying the implementation of the family leave insurance program.

Sponsors: Senators Keiser, Brown, Prentice and Tom.

Brief History:

Committee Activity: Ways & Means: 4/16/09 [DPS, DNP].

Passed Senate: 4/26/09, 29-14.

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Substitute Senate Bill No. 6158 be substituted therefor, and the substitute bill do pass.

Signed by Senators Prentice, Chair; Fraser, Vice Chair, Capital Budget Chair; Tom, Vice Chair, Operating Budget; Fairley, Hobbs, Keiser, Kline, Kohl-Welles, McDermott, Oemig, Pridemore and Regala.

Minority Report: Do not pass.

Signed by Senators Zarelli, Ranking Minority Member; Brandland, Hewitt, Honeyford, Parlette, Pflug and Schoesler.

Staff: Michael Bezanson (786-7449)

Background: The Family Leave Insurance Program was enacted in 2007 to provide a partial wage replacement program for individuals who are unable to perform their regular or customary work because they are on family leave. The program is to begin paying \$250 per week for up to five weeks starting October 1, 2009, to eligible individuals. To be eligible the individual must work at least 680 hours in employment covered by unemployment compensation.

The program also establishes the Family Leave Insurance Account and provides the Director of Labor and Industries (L&I) authority to lend funds from the Supplemental Pension Fund to the Family Leave Insurance Account. The 2007-09 budget provides L&I \$18 million in appropriation authority from the Family Leave Insurance Account for initial administrative expenses.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Summary of Engrossed Bill: Implementation of the Family Leave Insurance Program is delayed for three years. Benefits are payable beginning October 1, 2012 (instead of October 1, 2009). Annual reports must be submitted to the Legislature beginning September 1, 2013 (instead of September 1, 2010).

Appropriation: None.

Fiscal Note: Requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment in which the bill is passed.

Staff Summary of Public Testimony: PRO: Family and economic stability that the Family Medical Leave Program provides is more important now as ever. We are disappointed that we will not be implementing the program this year. We are looking forward to working with you and the federal government as we move toward having a family leave program in this state.

CON: Extending the linkage between the Supplemental Pension Fund and the Family Leave Insurance Program is not an appropriate use of funds. The Supplemental Pension Fund is intended to be an insurance tool for injured workers.

The bill should not extend the implementation dates until a funding source has been identified.

Persons Testifying: PRO: Rebecca Johnson, Washington State Labor Council.

CON: Kris Tefft, Association of Washington Business; Troy Nichols, National Federation of Independent Business.